

Counter parts - Phil M. Y.

20358
NOV 8 1996 PM

ALVORD AND ALVORD
ATTORNEYS AT LAW
918 SIXTEENTH STREET, N W
SUITE 200
WASHINGTON, D C
20006-2973
(202) 393-2266
FAX (202) 393-2156

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

RECEIVED
SURFACE TRANSPORTATION
BOARD

NOV 8 1 08 PM '96

November 6, 1996

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are two (2) copies of a Memorandum of Railroad Equipment Lease Agreement, dated as of November 1, 1996, a primary document as defined in the Board's Rules for the Recordation of Documents

The names and addresses of the parties to the enclosed document are:

Lessor:	Compass Rail II 555 California Street San Francisco, California 94104
Lessee:	Bangor & Aroostook Railroad Company Northern Maine Junction Park R R 2 Bangor, Maine 00401

A description of the railroad equipment covered by the enclosed documents is set forth on Exhibit A to the Lease Agreement

Mr. Vernon A. Williams
November 6, 1996
Page 2

Also enclosed is a check in the amount of \$22 00 payable to the order of the
Surface Transportation Board covering the required recordation fee

Kindly return stamped copies of the enclosed documents to the undersigned

Very truly yours,

A handwritten signature in black ink, appearing to read 'R. Alvord', with a stylized flourish at the end.

Robert W Alvord

RWA/bg
Enclosures

SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20425-0001

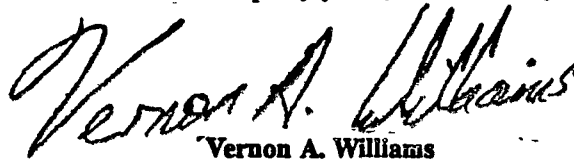
11/8/96

Robert W. Alvord
Alvord And Alvord
918 Sixteenth Street, NW, Ste. 200
Washington, DC., 20006-2973

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 11/8/96 at 1:10PM, and assigned recordation number(s). 20358, 20359, 20359 A and 20360.

Sincerely yours,

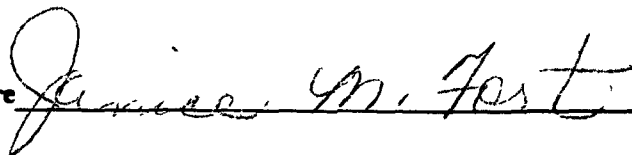


Vernon A. Williams
Secretary

Enclosure(s)

\$ 88.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature



MEMORANDUM
OF
RAILROAD EQUIPMENT LEASE AGREEMENT

THIS MEMORANDUM OF RAILROAD EQUIPMENT LEASE AGREEMENT is intended to evidence the Railroad Equipment Lease Agreement dated as of November 1, 1996 (the "Agreement"), between COMPASS RAIL II, a California corporation, located at 555 California Street, San Francisco, California 94104 ("Lessor"), and BANGOR & AROOSTOOK RAILROAD COMPANY, a Maine corporation, located at Northern Maine Junction Park, R.R.2, Bangor, Maine 00401 ("Lessee"), for the purpose of satisfying the requirements of recordation with the United States Department of Transportation Surface Transportation Board under 49 USC Section 11301 and with the Registrar General pursuant to Section 90 of the Railway Act of Canada. Lessor and Lessee have entered into the Lease which provides for the lease by Lessor to Lessee of the one hundred ten flatcars described in Exhibit A hereto.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Memorandum to be duly executed all as of the date first above written, and the undersigned hereby declare pursuant to 28 U.S.C. Section 1746 under penalty of perjury that the foregoing is a true and correct document and was executed on the date indicated below their signatures.

COMPASS RAIL II,
a California corporation

By: [Signature]

Title: Executive Vice President

Date: 11/5/96

BANGOR & AROOSTOOK RAILROAD
COMPANY, a Maine corporation

By: [Signature]

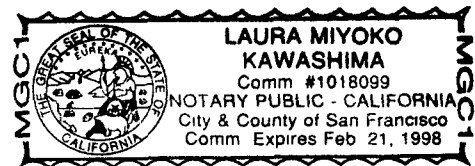
Title: Vice President - Finance & Treasurer

Date: 11/6/96

STATE OF CALIFORNIA)
)
COUNTY OF SAN FRANCISCO) SS:

On this 5th day of November, 1996, before me personally appeared Mark S. Maymar to me personally known, who being by me duly sworn says that such person is Executive VP of COMPASS RAIL II, that the foregoing Memorandum of Railroad Equipment Lease Agreement was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Laura Miyoko Kawashima
Notary Public



STATE OF MAINE)
)
COUNTY OF PENOBSCOT) SS:

This 6th day of November, 1996 before me personally appeared Ronald L. Condon to me personally known, who being by me duly sworn says that such person is VP Finance of BANGOR & AROOSTOOK RAILROAD COMPANY, that the foregoing Memorandum of Railroad Equipment Lease Agreement was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Barbara J. Veilleux
Notary Public

My Commission Expires: _____

Barbara J. Veilleux
Notary Public - State of Maine
My commission expires June 6, 2002

EXHIBIT A
TO
MEMORANDUM
OF
RAILROAD EQUIPMENT LEASE AGREEMENT
EQUIPMENT

<u>NUMBER OF UNITS</u>		<u>CAR NUMBERS</u>		
72 Series 1100	BAR	1106	1178	1229
flatcars (built 1964)		1107	1179	1234
(convertible to log cars)		1108	1182	1235
		1109	1185	1237
		1110	1187	1238
		1116	1188	1239
		1120	1189	1240
		1121	1191	1243
		1123	1192	1247
		1124	1193	1248
		1128	1194	1249
		1130	1195	1252
		1131	1197	1253
		1143	1198	1255
		1144	1199	1256
		1147	1201	1257
		1151	1203	1259
		1153	1205	1261
		1156	1206	1263
		1158	1209	1264
		1165	1216	1266
		1169	1217	1267
		1172	1218	
		1173	1224	
		1176	1226	

<u>NUMBER OF UNITS</u>	<u>CAR NUMBERS</u>
13 Series 1268	BAR 1268
flatcars (built 1968)	1269
(convertible to log cars)	1270
	1271
	1272
	1273
	1274
	1275
	1276
	1277
	1281
	1282
	1283
25 Series 1268	BAR 1284
flatcars (built 1968)	1285
(convertible to log cars)	1287
(interchange condition)	1288
	1290
	1292
	1293
	1294
	1296
	1297
	1298
	1299
	1300
	1301
	1303
	1305
	1306
	1307
	1308
	1311
	1313
	1314
	1317
	1318
	1319